



 **Union  
Investment**

**Delivering successful retail investment.  
We know how.**

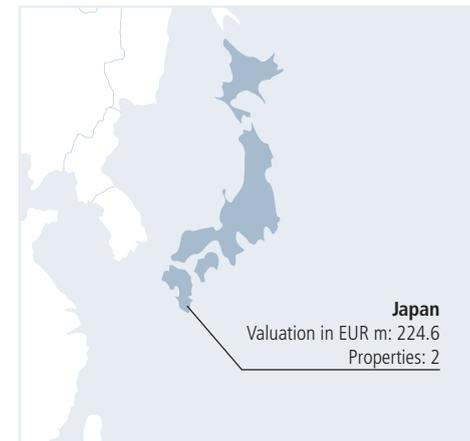
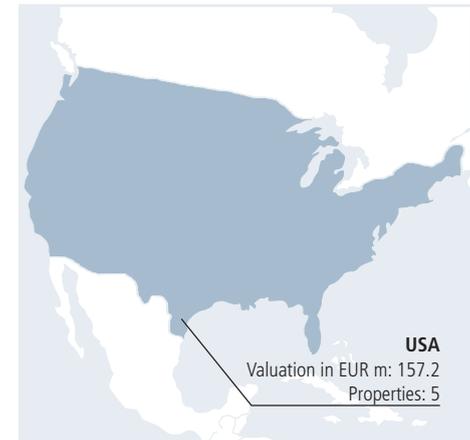
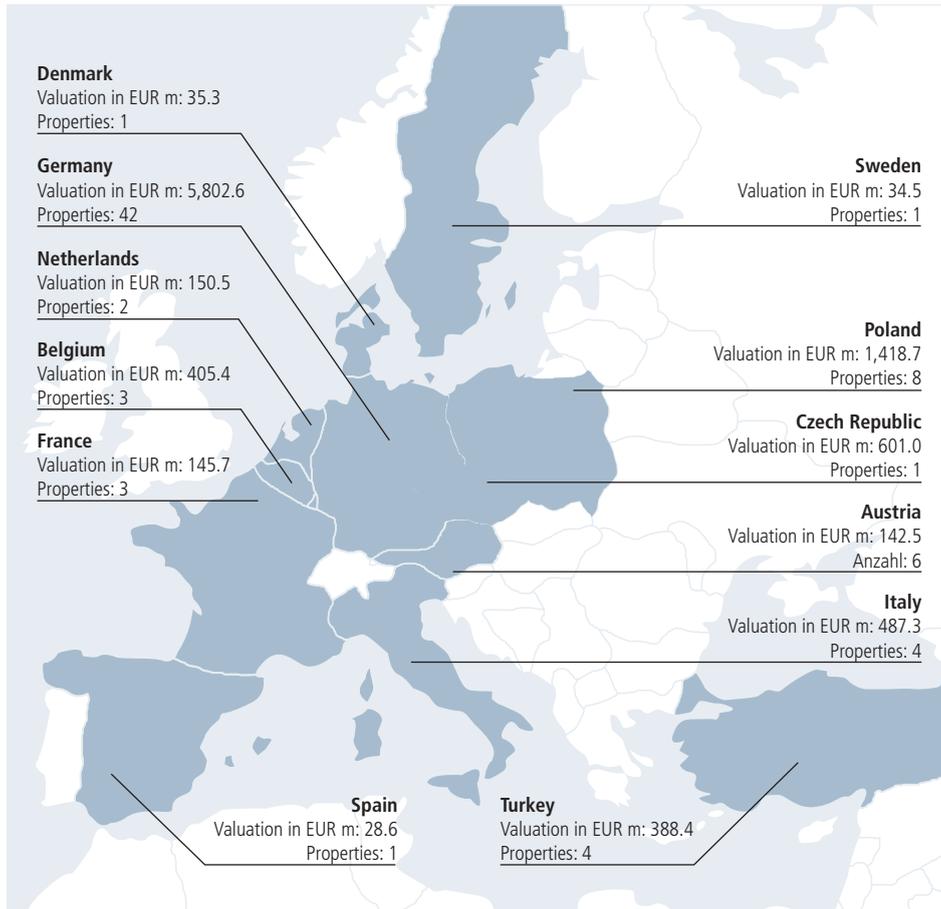


“We are committed to further international expansion of our portfolio and interested in all types of retail property worldwide. We already have the most extensive retail holdings within our peer group. Strong specialist expertise and reliable engagement with our partners as trusted professionals underpin our success.”

**Henrike Waldburg**

Head of Investment Management Retail, Union Investment

## Geographic distribution of retail portfolio



## Global retail in our sights

We are one of Europe's leading investment managers for retail property. Building on this position, further global diversification of our portfolio is a strategic priority.

### A broad range of investments

Union Investment is one of the largest real estate investment managers in Europe, with assets under management of EUR 41.4 billion. Retail properties currently account for 30 per cent of our real estate assets and represent a total value of EUR 10.0 billion.

We invest across the entire retail universe, from commercial buildings to retail parks and shopping centres. 83 retail properties in 14 countries reflect this diversity. Since 2016, we have also been acquiring retail properties in the US. Developing our retail portfolio outside Europe is a key part of our acquisition strategy.

### Diverse funds

When acquiring properties, we benefit from the broad investment remit of our funds. In addition to investing for three large retail funds, we also act on behalf of institutional clients, managing

seven active funds whose investments include retail real estate.

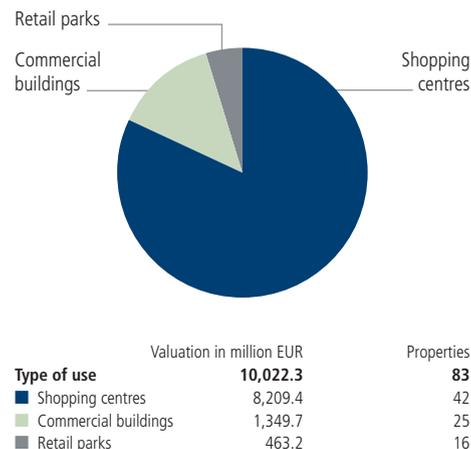
### Exploiting the options

In order to fully exploit opportunities around the world, we are happy to consider joint ventures alongside sole investments. In addition, we also invest in promising development projects via forward deals. Our commitment to active portfolio management includes taking advantage of attractive selling opportunities, such as the recent sale of the Centro Commerciale Auchan in Monza.

Our highly specialised team has deep knowledge of the retail sector and works collaboratively with our partners. In addition, our efficient investment process and strong asset management skills make us agile and reliable.

Let's talk!

### Distribution of retail portfolio by type of use (in EUR m)



**83**  
retail properties in  
14 countries

## Knowing how retail works

Our retail investments are handled by proven experts with a global network of contacts. The team is familiar with the important regional differences and manages all transactions from start to finish.

Our team combines long experience of the retail sector with strong real estate and financial market expertise. You benefit from professional analysis that accelerates the entire investment process and guarantees a high degree of transaction reliability.

### Close network of partners

Professional key account management and a track record of successful projects have enabled us to build a close-knit network of partners across Europe and beyond. This includes major portfolio holders, as well as developers, retail property operators and many more.

### Focusing on large and small properties

We are the leading shopping centre owner in Europe and further consolidate this position with every new purchase. In addition, we are increasingly buying smaller properties, such as high-

street real estate and retail parks in the low to middle double-digit million range. We are expanding our network of contacts accordingly.

Clear regional responsibilities within our team ensure a frequent local presence and continuity, providing the basis for strong long-term partnerships.

### Ongoing development

By sharing cross-sector ideas and leveraging the specialist expertise of our team, we ensure the ongoing development of our retail properties. As consumers' interests change, we recognise and respond to emerging trends.

a network of over  
**200 partners**



## Our investment criteria

Over the past few decades, we have built up a profitable retail portfolio. Clear criteria dictate the segment's strategic development direction.

### General investment criteria

- Acquisition structure: asset deals and share deals
- No properties with limited suitability for third-party use due to structural constraints/ property age (specialist properties)
- Acquisition of early-stage development projects also possible; acceptance of letting risk in some cases
- No leisure properties

### Specific investment criteria

#### Shopping centres

Shopping centres (projects and existing developments)

Shopping centres with financially sound tenants and predominantly retail use, rental space usually > 25,000 sqm, in catchment areas of approx. 250,000 people and above

Investments from EUR 30 million

#### Commercial buildings

Urban retail properties (e.g. department stores, properties on main shopping streets, commercial / retail buildings, shopping arcades) in premium locations and pedestrian zones in areas with a population of 100,000 plus in Europe and worldwide

Investments from EUR 15 million

#### Retail parks

Very well positioned retail parks with a minimum size of 5,000 sqm

Investments from EUR 10 million

## Our retail portfolio

### Key figures for our retail portfolio

- 83 retail properties (existing properties)
- Current valuation: approx. EUR 10.0 bn
- Number of stores: more than 3,900
- Number of restaurants/food outlets: approx. 600
- Net sales in 2017: approx. EUR 4.1 billion (only shopping centres)
- Total usable space: approx. 2.0 million sqm

Palladium, Prague, Czech Republic



Mercado, Nuremberg, Germany



Limbecker Platz, Essen, Germany



Manufaktura, Łódź, Poland



Calle de Fuencarral 16, Madrid, Spain



## Applied expertise



### 412 West 14th Street, New York, USA

In spring 2018, we acquired a high-street property with 1,600 sqm of rental space in New York's Meatpacking District. The property is located in the immediate vicinity of Chelsea Market and is let to Toyota on a long-term lease. The car manufacturer uses the building as a flagship store for its innovative Intersect by Lexus concept. The property gives customers the opportunity to experience the luxury Lexus brand in a high-end environment featuring a showroom, coffee bar, restaurant and gallery. The property was acquired on behalf of our Unilmmo: Global fund.

### Magnolia Park, Wrocław, Poland

Dominant shopping centres continue to be very attractive to investment managers. In the Polish city of Wrocław, we acquired Magnolia Park with around 100,000 sqm of rental space and 241 stores. Anchor tenants include strong national and international chains, such as Tesco, Castorama, Saturn, Helios, P&C and Decathlon.

Completed in 2007 and extended in 2015, the property's excellent user experience and good tenant mix have made it a major shopping destination in the region.

The centre has a total catchment area of around 2.6 million people and attracts some 11 million visitors a year. Magnolia Park is located in the west of Wrocław and is held by Unilmmo: Europa.





Welas Park, Wels, Austria

### Welas Park, Wels, Austria

Retail parks and local shopping complexes are popular with investors. In 2019, we agreed to acquire Welas Park, a remodelled retail park with 24 units across 15,000 sqm of rental space in the economically thriving region of Linz-Wels.

The property dates from 2006 and was re-launched in 2019. The focus is on food retailers, with the anchor tenants being Merkur and Lidl. The retail park is located in the immediate vicinity of the B1 highway and has a catchment area of 165,000 people.

### F5, Copenhagen, Denmark

In 2018, we made our first acquisition in Denmark, the F5 high-street property in Copenhagen. Situated close to Købmagergade, the main shopping street, and only around 50 metres from the important Nørreport Station transport hub, the property enjoys one of the most sought-after locations in the Danish capital.

It comprises 2,800 sqm of rental space with a mix of cafés and restaurants, retail, office and residential use. Tenants include Vapiano, telecommunications company YouSee and Danish office provider Ordnung.



F5, Copenhagen, Denmark



Selgros Markt, Falkensee, Germany

DISPOSAL

### Selgros Markt, Falkensee, Germany

We take advantage of attractive selling opportunities in order to continuously reduce the age of our retail portfolio. The most recent example was in Falkensee, a small town in the east of the Havelland district which is a popular residential area due to its proximity to Berlin and has fast-growing commercial zones.

In the southern commercial area, we sold a cash & carry market in which Transgourmet/Selgros is the main tenant. The depot had been held in immofonds 1.

## Your contacts



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All information current at 30 June 2019.